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THE FEDERAL DIARY 19 JUL 1984

Senate Bill Would Extend Ex-Spouse Rights

Ex-spouses of government workers and retirees could rejoin the federal health insurance program and also claim a portion of their former mates' pensions—now provided only to widows and widowers—under a bill introduced by two Republican senators.

If approved, employees or retired government workers could elect on their own to provide a survivor pension benefit to an ex-spouse, or ex-spouses, no matter how long they had been divorced. In addition, the legislation, introduced by Charles McC. Mathias (R-Md.) and Ted Stevens (R-Alaska), would allow former spouses of U.S. workers or retirees to become eligible once more for federal employee health-plan coverage, now lost through divorce.

The Senate bill, scheduled for hearings Aug. 1, is, in many respects, more liberal than a similar bill pending in the House.

Both the Senate and House plans would, for the first time, give divorced spouses of government workers and retirees access—through the courts—to a survivor retirement benefit earned by their former husband or wife.

The two bills would also require that government workers who retire and elect not to provide survivor annuity benefits for their spouses first get written consent from them.

In the past, many federal workers retired without providing a survivor benefit (which reduces the annuity), but did not tell their spouses what they were doing. It was only when the retirees died that the surviving spouses learned they had been left without any pension rights.

The Mathias-Stevens bill goes further than the House measure, which was introduced by Rep. Patricia Schroeder (D-Colo.), in the area of health coverage. Currently, when a federal worker or retiree divorces, his or her spouse no longer is covered by the government-sponsored health program. The plan helps pay medical and hospital bills for more than 10 million people, including nearly half the people in the Washington area.

Spouses who had once been covered by the health program but who were dropped because of divorce

could come back into it if they wanted, provided they paid the full premium.

Premiums for employees range from \$200 to \$1,000 a year, depending on coverage offered by the plan they pick. The government pays an estimated 60 percent of the overall premium for employees and retirees.

Senate sources say that allowing former spouses to come back into the federal health program could save them an estimated 20 percent on insurance costs, even if they pay both the enrollee and government share. This is particularly true for older persons who find it hard to get individual health insurance coverage, or who must pay very high rates because they cannot belong to a group plan.

In the case of workers and retirees who divorce after the bill becomes law, a court order would be necessary to provide survivor benefits to an ex-spouse. The court, as part of a property settlement, would decide what percentage of the survivor benefit could be awarded to the former spouse. It could also pro-rate benefits, if necessary, if there is more than one ex-spouse involved. Any current spouse would have first claim on benefits.

For persons divorced before the bill became law, benefits could be provided without a court order if both individuals—the civil servant or retiree and the ex-spouse—agree to it.

Ex-spouses who were once covered by the federal health program could apply for coverage again on their own. They could not apply for first-time coverage, however.

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